Chapter 26
Triumph of the Middle Class, 1945-1963
Economy: From Recovery to Dominance

Engines of Economic Growth

• U.S. corporations, banks, and manufacturers so dominated the world economy that the postwar period has been called the Pax Americana

The Bretton Woods System

• American global supremacy rested partly on the economic institutions created at a United Nations conference in Bretton Woods, New Hampshire in 1944
  • World Bank, International Monetary Fund (IMF), and General Agreement on Tariffs and Trade (GATT); they set trade rules and practices
  • The system was designed to make American capital available, in favorable terms for the U.S. economy, to nations that adopted free-trade economies

The Military-Industrial Complex

• In the name of national security, defense-related industries entered into long term relationships with the federal government
  • Military contracts

• Science industry, and federal government became intertwined in the Cold War environment

• After the Soviet Union launched the first satellite, Sputnik (1957), the government appropriated additional money for college scholarships and university research

• The defense buildup also created jobs
Corporate Power
• Consolidation of economic power into large corporate firms had characterized American capitalism
• During the 1950s, U.S. exports nearly doubled, giving the nation a trade surplus of close to $5 billion in 1960
  • Coca Cola, Gillette, IBM, and Mobil made more than half their profits abroad
• White collar industry increased
• From 1947-1975 worker productivity more than doubled
• Over the course of the postwar decades, millions of high wage manufacturing jobs were lost as machines replaced workers

The Economic Record
• The military-industrial complex produced an extraordinary economic record
• Inflations slowed until the Vietnam War, leading to Americans spending more money
A Nation of Consumers

• The quantity of consumer goods available to the average person was without precedent

• The difference between the 1920s consumer boom and the 1950s was that in the 50s, Americans believed their spending would help the economy. In the 1920s, it was a sign of personal indulgence.

The GI Bill

• More than half of all U.S. college students were veterans attending school paid for by the GI Bill

• Government financing of education helped make the U.S. workforce the best educated in the world in the 1950s and 1960s

• Better education meant higher earning power, and higher earning power translated into the consumer spending that drove the postwar economy

• Home ownership increased as a result
Trade Unions
• For the first time trade unions and collective bargaining became major factors in the nation’s economic life
• General acceptance of collective bargaining became the method for setting terms of employment
• Truman’s defeated National Healthcare led to union contracts providing pension plans and company-paid health insurance
• The postwar labor-management accord turned out to be transitory event, not a permanent condition of American economic life

Houses, Cars, and Children
• 25 million new houses were built in the U.S. Each required its own supply of new appliances, from refrigerators to lawn mowers
• Children also encouraged consumption
  • Baby products, board games, fast food, and toys
Television

• In 1947, there were 7000 TV sets in American homes. By 1950 Americans owned 7.3 million sets
• Television was an overwhelmingly white, Anglo-Saxon, Protestant world of nuclear families, suburban homes, and middle class life

Religion and the Middle Class

• Church membership jumped from 49% of the population in 1940 to 70% in 1960. Because of the spread of “godless Communism” Christians reaffirmed their faith
• Billy Graham was the most eloquent preacher, who made brilliant use of TV and radio advertising
• Preachers told Americans that Christians can enjoy material gain if they were faithful
• The phrase “under God” was inserted into the Pledge of Allegiance in 1954
• U.S. coins carried the words “In God We Trust” after 1956
A Suburban Nation

The Postwar Housing Boom

- Entire cities that were rural became suburbs. By 1960, one-third of Americans lived in suburbs

William J. Levitt and the FHA

- William J. Levitt, revolutionized suburban housing by applying mass-production techniques and turning out new homes quickly
- The Federal Housing Administration (FHA) and Veterans Administration (VA) made buying homes easier for many white Americans
- Home ownership jumped to 60% by 1960
- Levitt houses prohibited the occupancy of anyone who was “other than the Caucasian Race”
- In *Shelley v. Kraemer* (1948) the Supreme Court outlawed restrictive covenants based on race. However, whites used violence to keep blacks out of the suburbs until congress passed the Fair Housing Act in 1968
Interstate Highways

• Cars made suburban growth possible
• From 1945 to 1965, the number of cars in the U.S. tripled
• National Interstate and Defense Highways Act-

Fast Food and Shopping Malls

• By the late 1950s, the suburban shopping center had become a major part of American landscape
• In 1961 Ray Kroc bought McDonalds and turned it into the largest chain of restaurants in the world
Rise of the Sunbelt

- Suburban living was most at home in the Sunbelt (the southern and southwestern states), where taxes were low, the climate was mild, and open space allowed for sprawling subdivisions
  - Florida, California, and Texas
  - CA surpassed NY as the U.S’s most populous state by 1970
- Aerospace, defense, and electronics industries were based largely in Sunbelt metropolitan regions

Two Nations: Urban and Suburban

- African Americans from the south moved into cities in the 1950s.
- By the 1950s the urban areas experienced major problems
  - Mechanization was eliminating thousands of jobs
The Urban Crisis

• The intensification of poverty, the deterioration of older housing stock, and the persistence of racial segregation produced what many called “urban crisis”

• Blacks who were unwelcomed in the suburbs had to take low paying jobs in the city and lived in aging apartment buildings run by slumlords

• Racism in institutional forms frustrated African Americans at every turn: housing restrictions, and segregated schools

• Urban planners and politicians created federally funded housing projects to provide opportunities for new migrants.

• Unfortunately, they were cheap high-rise slums that segregated its inhabitants and increased segregation and concentrated the poor

• These “housing projects” became a notorious breeding ground for crime and hopelessness
Urban Immigrants

• Despite the urban crisis, cities continued to attract immigrants from abroad

• The Displaced Persons Act of 1948 permitted the entry of approximately 415,000 Europeans, mostly Jewish refugees

• Chinese Exclusion Act was repealed in 1943

• McCarran-Walter Act in 1952 ended the exclusion of Japanese, Koreans, and Southeast Asians

• The Bracero Program allowed hundreds of thousands of Mexicans to get work in the U.S.

• Mexicans, Puerto Ricans, and Cubans created huge barrios in major American cities, where bilingualism flourished, the Catholic Church shaped religious life, and families sought to join the economic mainstream.
  • These Spanish-speaking communities remained largely segregated from white and African Americans
Gender, Sex, and Family in the Era of Containment

- In the mid-twentieth century, family life remained governed by notions of paternalism, in which men provided economic support and controlled the family’s financial resources

- The resurgent postwar American middle class was preoccupied with paternalism and its virtues

- Nuclear families celebrated

- Deviation from sexual and gender norms was met with disdain and political suspicion

**Baby Boom**

- Marriages were remarkable stable between 1945-1960

- Couple were strongly encouraged to have kids. The birthrate shot up in the U.S.
  - People were having children at the same time. Couples were married earlier

- When “baby boomers” (children of this generation born between 1945-1960) competed for jobs during the 1970s, the labor market was congested

- In the 1980s, the birthrate jumped when they started having babies. And in our own time, as baby boomers began retiring, huge funding problems threaten to engulf Social Security and Medicare
Improving Health and Education

• Penicillin, streptomycin, and cortisone, the “miracle drugs” were invented in the postwar years

• Postwar middle-class parents, America’s first college-educated generation, placed a high value on education

• Baby boom generation swelled college enrollments

Dr. Benjamin Spock

• Dr. Benjamin Spock’s Common Sense Book of Baby and Child Care sold 1 million copies every year after its publication in 1946

• The book confused women on how involved they should be in their children’s lives versus giving them their independence
Women, Work, and Family

• The suburban housewife was the dream image of American women in the 1950s
• Women jobs were: teaching, nursing, secretary, with little room of advancement
• The idea that a woman’s place was in the home continued
• Career minded mothers were not socially accepted
• In reality many married women began to work in order to help their husbands maintain a materialistic suburban lifestyle
  • Women made 60% of men’s pay by 1963
• However, “double day” was a dilemma for working women
Sex and the Middle Class

• In many ways, the two decades between 1964 and 1965 were a period of sexual conservatism that reflected the values of domesticity
• College women had curfews and needed permission to see a male visitor
• Americans married young
• Both women and men were expected to channel their sexual desire strictly toward marriage
• Marriage, not swinging bachelorhood, remained the destination for the vast majority of men

Alfred Kinsey

• Kinsey and his research team published Sexual Behavior in the Human Male in 1948 and followed up with Sexual Behavior in the Human Female in 1953
• This sex doctor documented the full range of sexual experiences of thousands of Americans, discussing many sexual taboos
• Both studies confirmed that a sexual revolution, although hidden, would soon erect in the 1960s
The Homophile Movement

• Kinsey’s claimed that homosexuality was far more prevalent than most Americans believed
• “Homophiles” were gay activists who sought equal rights for gays and lesbians
• They faced daunting obstacles since same-sex relations were illegal in every state and scorned, or feared by most Americans
• They laid the groundwork for the gay rights movement of the 1970s
Youth Culture

• Increasingly, advertisers targeted the young, both to capture their spending money and to exploit their influence on family purchases
• Hollywood movies played a large role in fostering a teenage culture

Rock ‘n’ Roll

• Rejecting the romantic ballads of the 1940s, teenagers discovered rock ‘n’ roll, which originated in African American rhythm and blues
• Elvis Presley, was a hit with covers of songs originally recorded by black artists such as Big Momma Thornton.
• Record sales increased from $213 to $603 million between 1953 and 1959
• Adults saw this new music as a horrible invitation to race mixing, rebellion, and blatant sexuality

Cultural Dissenters

• Black jazz musicians fond eager fans not only in AA communities but also among young white Beats, a group of writers and poets centered in New York and San Francisco who disdained middle class materialism
• The Beats were apolitical, but their cultural rebellion would, in the 1960s, inspire a new generation of young rebels disenchanted with both the political and cultural status quo